



CITY OF DURHAM | NORTH CAROLINA

Date: May 17, 2016

To: Thomas J. Bonfield, City Manager
Through: W. Bowman Ferguson, Deputy City Manager
From: Donald F. Greeley, Director, Water Management
Subject: Eno Economic Development District (Eno EDD) Water and Sewer System Project – Amendment #2 for Professional Engineering Services – CDM Smith Inc.

Executive Summary

On January 22nd, 2013, the City Council authorized the City Manager to execute a Contract with CDM Smith Inc., to prepare a Master Plan to provide City of Durham water and sewer service to the Eno EDD. This contract is pursuant to an Interlocal Agreement with Orange County to extend City of Durham water and sewer service to the Eno EDD in Orange County. As per the interlocal agreement, Orange County will reimburse all costs associated with this contract.

Orange County is requesting CDM Smith proceed with a sanitary sewer alignment identified in the Master Plan and shown in attached Figure 1. Amendment 2 will include survey, design, permitting, bidding services and construction related services. CDM Smith completed the Master Plan and, based on the recommendations, City Council authorized CDM Smith to amend their contract to conduct additional analysis of a smaller service area as Amendment 1.

Recommendation

The Department of Water Management recommends that the City Council:

1. Authorize the City Manager to execute a contract amendment with CDM Smith Inc. for Professional Engineering Services in an amount not to exceed \$353,300.00 for the Economic Development District Water and Sewer System Project and
2. Establish a contingency fund for modifications to the contract in an amount not to exceed \$36,700.00; and
3. Authorize the City Manager to negotiate modifications to the contract provided that the total contract cost including all modifications does not exceed \$525,200.00.

Background

The Eno EDD is a section of Orange County adjacent to I-85 and the Durham/Orange County line that is within the City of Durham's water and sewer service area. No gravity sewer infrastructure currently exists in this area, and only limited water distribution infrastructure is available. Orange County and the City of Durham entered in to an Interlocal Agreement that provides reimbursement to the City of Durham from Orange County to extend sewer service to this area and enhance the existing water distribution system.

Previous phases of the project evaluated projected growth in the Eno EDD and developed a master plan for a utility infrastructure backbone to serve new customers. This master plan,

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developed in conjunction with Orange County, also includes a cost estimate for the proposed utility infrastructure and a detailed analysis of potential connection points to the City of Durham's water and sewer systems. This Master Plan was revised with a previous amendment to reduce the scope of the proposed service within the Eno EDD to bring estimated design and construction costs in line with Orange County's available funding.

Orange County selected a final alternative for design and construction, this amendment to CDM Smith's contract will provide the funding for this project to move forward.

Issues and Analysis

The alternative selected under the Master Plan is estimated to be within Orange County's budget for the proposed project. The additional customers added to the City of Durham's collection system will not adversely impact the City's ability to serve existing customers in this area, and the long term maintenance costs to the City of Durham of the proposed alternative are small.

Alternatives

One alternate is to not pursue the amendments and prepare the design plans and permits plan in-house with current engineering and operations staff. Current staff lacks the availability to complete the plans and permits in a timely manner, and does not have the capability to prepare the detailed design drawings necessary to bid a project of this magnitude.

Financial Impact

Funding for the project was approved as part of the Capital Improvements Program under the Orange County Economic Development Zone Improvements Project.

Original Contract: \$110,000.00

Original Contingency: \$11,000.00

Amendment 1: \$14,200.00

Total Authorized to date: \$135,200.00

Funds for Amendment #2 have been set up in the following accounts:

4100P002-731004-P2651 \$353,300.00

4100P002-731900-P2651 \$36,700.00

As per the interlocal agreement, Orange County will reimburse all costs associated with this contract.

SDBE Summary

This is a contract amendment. CDM Smith Inc. will be using the following SDBE firms for the additional scope of services:

Firm	ID	City/State	Amount	% of Contract
A1 Consulting Group, Inc.*	SDBE	Morrisville, NC	\$ 3,000.00	0.85%
CH Engineering, PLLC	WSDBE	Raleigh, NC	\$50,062.80	14.2%

*A-1 Consulting Group, Inc. is an Asian American SDBE firm and is being used for minority participation for this project in compliance with the Ordinance to Promote Equal Business Opportunities in City Contracting.